

## Senate Bill No. 354

### CHAPTER 299

An act to amend Section 7114 of the Business and Professions Code, relating to contractors.

[Approved by Governor October 5, 2007. Filed with  
Secretary of State October 5, 2007.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 354, Margett. Contractors: aiding unlicensed persons.

Existing law, the Contractors' State License Law, authorizes the Contractors' State License Board to conduct all functions and duties relating to the licensing, regulation, and discipline of licensees and requires the board to appoint a registrar of contractors to perform specified duties. Existing law authorizes the registrar of contractors to issue a citation, instead of initiating disciplinary proceedings, to a licensee when the registrar has probable cause to believe that the licensee has committed acts in violation of the Contractors' State License Law. Existing law authorizes the citation to include an order for payment by a licensee of a specified sum to an injured party. Existing law provides that it is grounds for disciplinary action for a licensed contractor to aid an unlicensed person in evading the Contractors' State License Law or to allow an unlicensed person to use his or her license.

This bill would authorize the registrar of contractors to order a licensee to pay a specified sum to an injured party if the registrar finds that a licensee has aided an unlicensed person in evading the Contractors' State License Law or allowed an unlicensed person to use his or her license.

*The people of the State of California do enact as follows:*

SECTION 1. Section 7114 of the Business and Professions Code is amended to read:

7114. (a) Aiding or abetting an unlicensed person to evade the provisions of this chapter or combining or conspiring with an unlicensed person, or allowing one's license to be used by an unlicensed person, or acting as agent or partner or associate, or otherwise, of an unlicensed person with the intent to evade the provisions of this chapter constitutes a cause for disciplinary action.

(b) A licensee who is found by the registrar to have violated subdivision (a) shall, in accordance with the provisions of this article, be subject to the registrar's authority pursuant to Section 7099 to order payment of a specified

sum to an injured party, including, but not limited to, payment for any injury resulting from the acts of the unlicensed person.

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